wheat and rice and low offtake of foodgrains under PDS. The combined effect of increased procurement and low offtake is responsible for further additions to the buffer stock already built up to a high level in 1999-2000 and 2000-01, thus resulting in higher carrying cost. The subsidy can be reduced if the high level of taxes imposed by States on wheat and rice is reduced, the MSP increases are moderated, procurement limited only to the requirements of PDS and buffer and administrative expenses of the procurement agencies are reduced.

Manipulation in share prices of Global Trust Bank

4231. SHRI NANA DESHMUKH: *Will the Minister of* FINANCE be pleased to state:

(a) whether it is a fact that large scale manipulation and rigging in the share prices of Global Trust Bank prior to its merger with Unit Trust of India was noticed;

(b) if so, what are the details in this regard; and

(c) what action has been taken against the senior level management team of the Global Trust Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The Securities and Exchange Board of India (SEBI) has intimated that preliminary investigations, *prima facie*, have revealed that prices of shares of Global Trust Bank (GTB) were manipulated prior to announcement of merger between GTB and Unit Trust of India Bank Ltd. The scrip prices of GTB nearly doubled from Rs. 57 to Rs. 114 within a span of around 30 trading days (October 11 to November 20, 2000). RBI has intimated that this merger has been called off now as the Global Trust Bank has withdrawn its request for the proposed merger.

(c) Action, if warranted in this regard, would be taken by SEBI on completion of investigations.